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TAGS: [KNNP](#) [ETTC](#) [PARM](#) [NPT](#) [IS](#)
SUBJECT: NUCLEAR SUPPLIERS GROUP OUTREACH TO ISRAEL

Classified By: Political Counselor Marc Sievers, reasons 1.4 (b), (d)

¶1. (C) Summary: GOI interlocutors raised familiar themes with a delegation from the Nuclear Suppliers Group (NSG) during a recent outreach meeting at the SOREQ Nuclear Research Center on May 14. The GOI continues to seek formal recognition for adhering to NSG Guidelines, and supports a German association status proposal. The GOI described recent work the GOI has invested greatly in its export control system, but acknowledged that its export legislation is still very much a work in progress. Danieli regretted the absence of representatives from NSG Troika member South Africa, but hoped the Chair would report the results of this outreach visit to NSG participating governments (PGs).

NSG Agenda

¶4. (SBU) Goorevich presented in detail several NSG technical issues (large diameter machine tools, gas centrifuge power supplies and frequency changers, and stable isotope separation) currently under discussion, as well as the upcoming NSG plenary agenda. He addressed issues related to enrichment and reprocessing technologies (ENR), including review of NSG Guidelines para 6 on the criteria based approach and para 7 on "black boxes". He also briefly noted discussion on including the Additional Protocol as a condition for ENR. Finally, Goorevich reviewed NSG systemic challenges in balancing confidentiality with transparency, as several leaks to the press have harmed the work of the NSG.

¶5. (C) IAEA Director of Arms Control (Policy Division) Merav Zafary Odiz reiterated Israeli desires to enhance ENR criteria, especially as Israel believes 14 countries in the Middle East are pursuing some form of nuclear program. She emphasized the importance of providing ENR through "black boxes," and that ENR candidates join the IAEA Additional Protocol. Zafary reiterated that recipients of "black boxes" not be allowed to develop independent fuel cycles, a point the GOI has stressed via bilateral consultations with suppliers of nuclear material to the Middle East.

¶6. (C) Zefary and Danieli asked if the NSG as a group is in any way obliged to respond to UNSCRs; Elbling noted little support among PGs for a group approach. Goorevich emphasized NSG members are obligated to respond to UNSCRs at the national level. Danieli inquired if there are any consequences or "lessons learned" implemented by the NSG following a proliferation breakdown -- such as the AQ Khan network -- or if the NSG developed contingency plans in case of "unforeseen events," such as potentially in Pakistan. Goorevich explained that the NSG is not an operational entity -- the NSG has responded in these cases as effectively as a group of 45 countries can by developing a watch list, identifying the problem, and exchanging information. IAEA Special Projects Coordinator Itshak Lederman opined the NSG could be more effective if they took action on issues as a bloc.

¶7. (C) German delegation members reviewed Iceland's petition to join the NSG, which will be addressed at the Budapest plenary. Danieli asked if there was any special relevance to Iceland's participation. German delegation members explained that emerging Icelandic industries could lead potentially to the increased manufacture of dual-use items. Elbling and Goorevich also noted from a symbolic standpoint that Iceland would be the last EU and NATO member to join the NSG.

India Cooperation

¶8. (SBU) Elbling presented a brief update on NSG cooperation with India, noting IAEA approval of an Additional Protocol for India and the likely Indian parliamentary ratification of the Additional Protocol and safeguards agreement following the upcoming Indian elections. He said NSG interaction with India has become an issue: currently, the relationship is handled through the NSG outreach program, but perhaps a more structured dialogue is warranted.

¶9. (C) Zefary emphasized that while Israel supported the deal in terms of addressing India's energy needs, the GOI continues to believe the deal remains a "missed opportunity" for Israel. She argued that Israel has as good a non-proliferation record as India, and also possesses energy needs. By making the deal specific to India, and not generic or non-country specific, Zefary was skeptical Israel would ever enjoy a similar relationship due primarily to political reasons.

Association Status/NSG Adherence

¶10. (C) Elbling reviewed the German proposal on NSG association status, suggesting that reopening discussion on the proposal is warranted following increased cooperation with India. Zefary raised the May 2005 GOI letter to the NSG requesting special status for adhering to the NSG Guidelines.

She said the GOI had hoped to obtain some benefits for adherence, including possibly information sharing, participation in some NSG meetings, and potential access to medical equipment. Zefary said the GOI received no reply to their letter, but continues to seek official acknowledgment for adherence -- including participation in some meetings and consultations regarding revisions to the NSG list.

¶11. (C) Goorevich said an NSG formal mechanism for recognition of adherence does not exist -- while the NSG encourages adherence, the group does not acknowledge it. Zefary noted that Israel was the first to adhere to the NSG Guidelines, and had heard nothing officially from the NSG in response -- not even a mention on the NSG website. She said the GOI assumed the lack of recognition can be attributed to political reasons. Elbling said he could envisage a public acknowledgment regarding certain developments on adherence, and said he would raise the issue at the plenary. He cautioned, however, that he could not make any guarantees that PGs would not come forward with reservations regarding a public acknowledgment on adherence.

GOI Export Control Legislation

¶12. (SBU) GOI interlocutors from the MFA, the Ministry of Industry, Trade, and Labor (MOITAL), and MOD gave a detailed presentation on Israeli export control legislation. MFA Export Control Director Roey Gilad noted that the GOI accepts the NSG lists wholesale, including posting the list on the internet in English. He described Israeli export control legislation as a "long distance runner who started off slowly, but has picked up the pace in latter stages of the race." Gilad acknowledged that the advanced GOI export control legislation is "still very much a work in progress," as the GOI continues to encounter loopholes in the legislation.

¶13. (SBU) MOITAL's Debbie Milstein reviewed the GOI export control legal framework and application process. She noted that the GOI has 20 working days upon receipt of a license application to grant, refuse, suspend or revoke the application. The MFA and MOD have 10 working days within this 20-day period to respond to an application. Milstein explained that disagreements over a license are sent to the Director General's level for resolution, and if no consensus is reached, referred to the Prime Minister for a decision. She said applicants have a right to appeal, and can pursue a suit as far as the High Court of Justice. She added that the GOI has not experienced many NSG applications, but expects as many as 300 cases this year under the Wassenaar Arrangement.

¶14. (SBU) Danieli inquired if the NSG conducts workshops focusing on legal implementation that might be open to Israel. Delegation members noted a recent workshop with ASEAN countries, and offered to send to GOI the workshop's content as an example. Danieli and Gilad said the GOI will review specific sectors requiring assistance and send the NSG a formal workshop request focusing on customs and legal implementation; Elbling said he would take the workshop request back to the NSG and suggested the GOI submit the proposal prior to the plenary.

SOREQ Center Tour

¶15. (SBU) The NSG delegation was given a tour of the SOREQ nuclear research center, including the research reactor, radiopharmaceutical laboratory, and the SOREQ Applied Research Accelerator Facility (SARAF) -- a new, 40MEV linear accelerator used for making nuclear medicine. GOI officials stressed the civilian aspects of the complex; an underlying theme throughout the tour was the assertion that SOREQ be granted access to non-sensitive medical and safety equipment due to the benefits it provides to Israeli society.

¶16. (U) Dr. Goorevich has cleared on this cable.

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